

TORONTO STOCK EXCHANGE

File 98

FILING STATEMENT No. 805.
FILED, SEPTEMBER 20th, 1962.

FROBISHER LIMITED

Full corporate name of Company

Incorporated as ~~Frobisher Exploration Company~~ Limited by Letters Patent, Ontario Companies Act, November 4, 1940, By Supplementary Letters Patent dated March 17, 1947, name changed to Frobisher Limited.

SEP 27 1962

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957). Reference is made to previous

FILING STATEMENT

Filing Statement No. 607, and to Amending Filing Statement No. 49

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.

- (a) Disposition of all rights in some 37,000,000 acres held under oil concession in the Somali Republic (See Schedule "A" hereto);
- (b) Subject to approval of shareholders:-
- (i) application for Supplementary Letters Patent to change the name of the Company to FROBEX LIMITED, and to re-organize the issued capital of the Company on the basis of one (1) "new" share for every seven (7) "old" shares, and to vary the objects of the Company;
 - (ii) a decrease in the number of directors from seven (7) to five (5);
 - (iii) listing of such new shares on the Toronto Stock Exchange;
 - (iv) sale of certain "new" shares to certain subscribers and granting of options on additional shares to them;
 - (v) granting of a management option to the President and Managing Director;

All of the foregoing pursuant to an agreement made as of August 31st, 1962, between the Company of the First Part, British Metal Investments Limited of the Second Part, McIntyre Porcupine Mines Limited of the Third Part, Conwest Exploration Company Limited of the Fourth Part and J.J. Rankin of the Fifth Part, which agreement is also subject to confirmation by the shareholders (See Schedule "B" on pages 3 & 4).

SCHEDULE "A" TO THE FILING STATEMENT OF FROBISHER LIMITED DATED SEPTEMBER 5th, 1962.

The option held by Gulf Oil Corporation to receive a transfer of the Company's oil concession rights in the Somali Republic was not exercised by March 1st, 1962.

By agreement between the Company and Gulf Oil dated February 28th, 1962, it was agreed between the Company and Gulf that the Company would voluntarily surrender its concession rights; that if Gulf should receive from the Somali Government a concession on suitable terms, Gulf would pay to this Company \$200,000 (U.S.) for geological and geophysical data owned by this Company and related to its exploration on its Somali concession. In addition, Gulf would pay a maximum total of \$650,000 (U.S.) out of oil production from its new concession, if any.

The Company accordingly surrendered its said concession rights. Gulf has now signed a new concession with the Somali Government and the Company has supplied the said data to Gulf and the said sum of \$200,000 has been paid to the Company.

2. Head office address and any other office address.	Suite 904, 85 Richmond Street West, Toronto, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<p>President and Director - JOSEPH JOHN RANKIN, Mining Executive 11 York Ridge Road, Willowdale, Ontario.</p> <p>Vice-President and Director - ROBERT L. SEGSWORTH, B.Sc., Mining Executive, 123 Errington Ave., Toronto, Ontario</p> <p>Secretary-Treasurer & Director - JOHN S. GRANT, Q.C., One of Her Majesty's Counsel, 17 Daleberry Place, Willowdale,</p> <p>Assistant Secretary-Treasurer & Director - WALTER STEUERMAN, Chartered Accountant, 2550 Bathurst St. Toronto, Ontario</p> <p>Director- JOHN J. COYLE, Independent Oil Operator, Fidelity Union Life Bldg., Dallas, Texas, U.S.A.</p> <p>Director - W.V. Buckhantz, Executive, 787, 5th Ave., New York, U.S.A.</p> <p>Director - N.H.C. FRASER, M.Sc., Geologist, 78 Castlefield Ave. Toronto, Ontario.</p>
4. Share capitalization showing authorized and issued and outstanding capital.	<p>Authorized - 7,500,000 shares of no par value.</p> <p>Issued - 6,808,340 shares, all as fully paid.</p>
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Nil
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	See Schedule "B" on pages 3 & 4.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	See Schedule "B" on pages 3 & 4.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company intends to undertake exploration for minerals.
10. Brief statement of company's chief development work during past year.	Completion of field work on oil Concession in Somali Republic.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.

SCHEDULE "B" TO THE FILING STATEMENT OF
FROBISHER LIMITED DATED SEPTEMBER 5th, 1962.

The Company has entered into an agreement made as of August 31st, 1962, between the Company of the First Part, British Metal Canada Investments Limited ("British") of the Second Part, McIntyre Porcupine Mines Limited ("McIntyre") of the Third Part, Conwest Exploration Company Limited ("Conwest") of the Fourth Part, and J.J.Rankin ("Rankin") of the Fifth Part.

The agreement provides that subject to confirmation of same by the shareholders of the Company at a meeting to be held in the near future, the Company will as soon as possible:-

(a) Apply for supplementary letter patent to provide for:-

- (i) the pro rata cancellation of 5,835,720 presently issued shares, leaving 972,620 shares outstanding in the hands of present shareholders (being on the basis of one (1) "new" for every 7 "old" shares);
- (ii) the creation of 1,835,720 "new" shares without par value to rank equally with the then issued 972,620 shares and unissued 691,660 shares without par value so that the authorized capital will be 3,500,000 shares without par value with 972,620 shares issued;
- (iii) the change of the Company's name to FROBEX LIMITED;
- (iv) the variation of the objects of the Company, to include the right to explore, acquire, hold, develop and dispose of oil and gas deposits;

(b) Decrease the number of directors by special resolution, from seven (7) to five (5).

Subject to confirmation of the said agreement by the shareholders, the issue of supplementary letters patent as aforesaid, the listing of the "new" shares of the Company on the Toronto Stock Exchange, and the said decrease in the number of the directors of the Company, British, McIntyre and Conwest have committed themselves severally, but not jointly, to subscribe between them for 1,000,000 "new" shares from the Frobex treasury at 75 cents per share for a total commitment of \$750,000. The total subscription commitment by British is for 333,334 shares at 75 cents, for \$250,000.50 (being one-third of the total commitment); by McIntyre, for 333,333 shares for \$249,999.75 (being one-third); by Conwest, for 333,333 shares for \$249,999.75 (being one-third).

Of such commitments, British will pay \$100,000.50 to Frobex for 133,334 shares on the closing date, and McIntyre and Conwest will each pay \$99,999.75 for 133,333 shares on the closing date. Frobex will thus receive, on closing immediate provision of \$300,000.

The remainder of such respective commitments, namely, British, McIntyre and Conwest each for 200,000 shares at 75 cents per share, for a further \$150,000 each, (and a total to Frobex of \$450,000), are payable by the said subscribers to Frobex as called by the directors of Frobex at any time and from time to time, in whole or in part and pro rata among the subscribers, but not over a period longer than five (5) years from the closing date. The closing date is to be within one week of the completion by the Company of all of the conditions aforesaid.

The agreement provides that forthwith upon closing each of British, McIntyre and Conwest is entitled to have one nominee on the board of directors of the Company, and Rankin, in addition to himself shall be entitled to have one nominee.

In consideration of the foregoing commitments by British, McIntyre and Conwest the Company has in the said agreement granted to them the option to purchase all or any part of an aggregate of an additional 1,350,000 treasury shares at 85 cents per share, exercisable in whole or in part from time to time and at any time, over a period of five years from the closing date. Such options are held by British as to 450,000 shares; by McIntyre as to 450,000 shares and by Conwest as to 450,000 shares.

After providing for the aforesaid firm purchase commitments, and after reserving for the said optionees such 1,350,000 optioned shares there will be 177,380 shares unissued in treasury. Rankin has agreed to serve as President of the Company and as its Managing Director and will enter into a five year employment agreement on terms to be mutually acceptable to all of the parties. In addition to such salary as shall be paid to him, the Company has granted Rankin a non-assignable management option on the said 177,380 shares at 85 cents per share exercisable during his employment, from time to time at any time and in whole or in part during the five year period following the closing date. Rankin has agreed to devote his full time and energies in mining exploration in Canada on behalf of the Company, save that he is permitted to continue his association with Marchant Mining Company Limited and Peruvian Oils and Minerals Limited of which companies he is respectively President and Vice-President and Managing Director.

Subject to confirmation of the said agreement by the shareholders and to the due completion of the other conditions, the present shares of the Company will be removed from listing on the Toronto Stock Exchange and the new shares will be listed and posted for trading under the name of Frobex Limited.

FINANCIAL STATEMENTS

FROBISHER LIMITED

BALANCE SHEET

AS AT JULY 31, 1962

A S S E T S

Current:

Cash		\$105,038.54
Investments - short term		50,000.00
Accounts receivable		<u>7,294.41</u>

\$162,332.95

Fixed:

Equipment - at cost	\$ 4,358.23	
Less accumulated depreciation	<u>1,632.28</u>	2,725.95

Mining Claims - at cost 8,000.00

Deferred exploration expenses - Canada 7,051.58

\$180,110.48

L I A B I L I T I E S

Current:

Accounts payable and accrued charges \$ 12,884.90

Shareholders' Equity:

Capital -

Authorized: 7,500,000 shares of no par value
 Issued: 6,808,335 shares (including 2 shares
 issued for cash during the period) \$400,000.30
 Contributed surplus (no change during period) 264,564.95

\$664,565.25

Deficit 497,339.67 167,225.58

\$180,110.48

See accompanying notes.

August 29, 1962

John K... Director
W. H. K... Director

PROBISHER LIMITED

STATEMENT OF PROFIT AND LOSS AND DEFICIT

FOR THE SEVEN MONTHS ENDED JULY 31, 1962

General and Administrative Expenses:

Transfer agency fees	\$ 3,238.53
Legal and audit fees	3,387.40
Annual reports	2,597.63
Other general expenses	<u>7,011.21</u>

\$ 16,234.79

Less Sundry Revenue:

Interest income	\$ 675.40
Profit on foreign exchange	<u>1,539.61</u>
	<u>2,215.01</u>

Net loss for the period

\$ 14,019.78

Exploration and Development Expenses written off:

Somalia	224,307.94
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Deficit - December 31, 1961

259,011.95

Deficit - July 31, 1962 (note)

\$497,339.67

Note: The above deficit covers the period from June 28, 1960 to July 31, 1962. The accumulated deficit at June 27, 1960 (\$7,137,613) was written off against the contributed surplus created by a capital reorganization during 1960.

PROBISHER LIMITED

NOTES TO FINANCIAL STATEMENTS

AS AT JULY 31, 1962

- (1) The company is in the process of winding up its branch office in the Republic of Somalia. The amounts included in the financial statements, insofar as they relate to the African operations, cover the period to May 31, 1962 only. No substantial additional liabilities in respect of the African operations, other than those included in the financial statement, are anticipated.
- (2) Assets and liabilities in currencies other than Canadian dollars are converted into Canadian funds at the current quoted rates of exchange at July 31, 1962, except fixed assets (and the related accumulated depreciation) and exploration expenditures written off, which are converted at the rates of exchange prevailing when the expenditures on the assets were made.
- (3) During the period under review, the company's Somalia concessions were relinquished. Accordingly the deferred exploration and development expenses, less the amount received from the sale of geological and geo-physical data applicable thereto, were written off to deficit.
- (4) The company holds the following interests in its former concessions in the Republic of Somalia.
 - (a) Dependent upon the production of oil in approximately 80% of its former concessions, the company is entitled to receive payments up to a maximum of \$650,000 from Gulf Oil Corporation under an agreement similar to that approved by the shareholders on October 2, 1961.
 - (b) The company holds an overriding royalty of 6-1/4% from Sinclair Somal Corporation and Associates on all hydrocarbon production sold from approximately 20% of its former concession.

FROBISHER LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE SEVEN MONTHS ENDED JULY 31, 1962

SOURCE OF FUNDS

Interest earned and sundry revenue	\$ 2,215.01
Proceeds of sale of equipment	11,280.27
Repayment of deposits	217.67
Proceeds of sale of geological and geophysical data	216,062.50
Proceeds of sale of capital stock	<u>.30</u>
	229,775.75

APPLICATION OF FUNDS

Exploratory and development costs - Africa	\$20,851.09	
- Other	6,316.19	
General and administrative expenses	16,234.79	
Income not involving the receipt of funds:		
Profit on sale of equipment	<u>1,201.54</u>	<u>44,603.61</u>

INCREASE IN FUNDS - represented by the following
increase in working capital during the period -

Working capital deficiency at December 31, 1961	\$35,724.09	
Working capital at July 31, 1962	<u>149,448.05</u>	<u>\$185,172.14</u>

13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None.										
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.										
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>According to information provided by the Company's stock registrar and transfer agent the following are the five largest registered shareholders:</p> <table> <tr> <td>Bay & Co. No.1 Account, 53 King St. West, Toronto (Not beneficial owners)</td><td>1,676,111 shares</td></tr> <tr> <td>John J. Coyle, Fidelity Union Life Bldg., Dallas, Texas. (beneficial owners)</td><td>300,001 shares</td></tr> <tr> <td>Jas. Richardson & Sons, 173 Portage Ave., Winnipeg, Manitoba, (not beneficial owner)</td><td>249,453 shares</td></tr> <tr> <td>Doherty, Roadhouse & Co. 335 Bay Street, Toronto (not beneficial owners)</td><td>163,735 shares</td></tr> <tr> <td>W.V. Buckhantz, 834 Fifth Ave. New York, (beneficial owner)</td><td>135,001 shares</td></tr> </table> <p>Of the shares shown above, registered in street form, approximately 1,235,000 shares are beneficially owned by J.J. Rankin aforesaid and/or Zeta Explorations Limited, a company controlled by him, and 330,007 shares by R.L. Segsworth Limited a company controlled by R.L. Segsworth aforesaid.</p>	Bay & Co. No.1 Account, 53 King St. West, Toronto (Not beneficial owners)	1,676,111 shares	John J. Coyle, Fidelity Union Life Bldg., Dallas, Texas. (beneficial owners)	300,001 shares	Jas. Richardson & Sons, 173 Portage Ave., Winnipeg, Manitoba, (not beneficial owner)	249,453 shares	Doherty, Roadhouse & Co. 335 Bay Street, Toronto (not beneficial owners)	163,735 shares	W.V. Buckhantz, 834 Fifth Ave. New York, (beneficial owner)	135,001 shares
Bay & Co. No.1 Account, 53 King St. West, Toronto (Not beneficial owners)	1,676,111 shares										
John J. Coyle, Fidelity Union Life Bldg., Dallas, Texas. (beneficial owners)	300,001 shares										
Jas. Richardson & Sons, 173 Portage Ave., Winnipeg, Manitoba, (not beneficial owner)	249,453 shares										
Doherty, Roadhouse & Co. 335 Bay Street, Toronto (not beneficial owners)	163,735 shares										
W.V. Buckhantz, 834 Fifth Ave. New York, (beneficial owner)	135,001 shares										
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	It is believed that the shareholders named in Paragraph 15 are in such a position.										
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	None.										
18. Brief statement of any lawsuits pending or in process against company or its properties.	None.										
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None.										
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	None. The shares to be purchased by subscribers as disclosed in Schedule "B" will upon such purchase be in primary distribution.										

CERTIFICATE OF THE COMPANY

DATED September 5th, 1962

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"J.J. Rankin"

"W. Steuerman"

FROBISHER LIMITED

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)